



Federal Communications Commission  
Washington, D.C. 20554

DA 02-1648  
July 12, 2002

**Via certified mail, return receipt requested**

Mr. Philip Adler  
1111 Lincoln Avenue  
Prospect Park, PA 19076

**Re: Final Bid Withdrawal Payments For Auction No. 18**

Dear Mr. Adler:

As a participant in Auction No. 18,<sup>1</sup> you withdrew a high bid on licenses BEA 013B and BEA 013C in that auction.<sup>2</sup> Auction No. 24, the subsequent auction for the licenses on which you withdrew high bids in Auction No. 18, has closed.<sup>3</sup> Therefore, in accordance with the Commission's rules, we are now able to calculate your final bid withdrawal obligations.

Under the Commission's rules, a bidder that withdraws a high bid during the course of an auction is subject to a bid withdrawal payment equal to the difference between the amount of the withdrawn bid and the amount of the subsequent winning bid.<sup>4</sup> If a high bid is withdrawn on a license that remains unsold at the close of the auction, the withdrawing bidder will be required to make an interim payment equal to three percent (3%) of the net amount of the withdrawn bid.<sup>5</sup> This payment amount is deducted from any up-front payments or down payments deposited for this bidder's account with the Commission.<sup>6</sup> If, in a subsequent auction, that license receives a winning bid in an amount equal to or greater than the withdrawn bid amount, then no final bid withdrawal payment will be assessed, and upon appropriate request, the Commission will refund the interim three percent (3%) payment.<sup>7</sup> If, in a subsequent auction,

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<sup>1</sup> Phase II 220 MHz Service Auction Closes: Winning Bidders in the Auction of 908 Phase II 220 MHz Service Licenses, Report No. AUC-18-F (Auction No. 18), *Public Notice*, 14 FCC Rcd. 605, Attachment A (1998) ("*Auction No. 18 Winning Bidders Public Notice*").

<sup>2</sup> Licenses BEA 013B and BEA 013C are in the Washington-Baltimore, DC-MD-VA market.

<sup>3</sup> Phase II 220 MHz Service Spectrum Auction Closes: Winning Bidders in the Auction of 225 Licenses in the Phase II 220 MHz Service, Report No. AUC-24-E, (Auction No. 24), *Public Notice*, 14 FCC Rcd 11218 (1999) ("*Auction No. 24 Winning Bidders Public Notice*").

<sup>4</sup> 47 C.F.R. § 1.2104(g)(1) (1998).

<sup>5</sup> 47 C.F.R. § 1.2104(g)(1) (1998); *Auction No. 18 Winning Bidders' Public Notice*, 14 FCC Rcd at 608 and Attachment C (identifies bidders that withdrew bid in Auction No. 18 and lists the interim three percent bid withdrawal payment).

<sup>6</sup> See 47 C.F.R. § 1.2106(e) (1998); *Auction No. 18 Winning Bidders' Public Notice*, 14 FCC Rcd at 608.

<sup>7</sup> 47 C.F.R. § 1.2104(g)(1) (1998).

the winning bid for that license is less than the bidder's withdrawn bid amount, then the bidder will be required to make a final bid withdrawal payment equal to either the difference between the bidder's net withdrawn bid and subsequent net winning bid, or the difference between the bidder's gross withdrawn bid and the subsequent gross winning bid, whichever is less.<sup>8</sup>

With respect to your bid withdrawals in Auction No. 18, the Commission has previously deducted an interim bid withdrawal payment of \$917.00 on license BEA 013B and an interim bid withdrawal payment of \$878.00 on license BEA013C from the funds on deposit with the Commission because both licenses remained unsold at the end of the auction.<sup>9</sup> As shown in Attachment A, in Auction No. 24, the subsequent auction of both licenses, the winning bid amount of \$13,000.00 for license BEA 013B was less than your withdrawn bid amount of \$30,550.00.<sup>10</sup> In accordance with Section 1.2104 of the Commission's rules,<sup>11</sup> you are assessed a final bid withdrawal payment of \$17,550.00 in connection with license BEA 013B.

Additionally, as shown in Attachment A, the Auction No. 24 winning bid amount of \$14,300.00 for license BEA 013C was less than your withdrawn bid amount of \$29,250.00. In accordance with Section 1.2104 of the Commission's rules,<sup>12</sup> you are assessed a final bid withdrawal payment of \$14,950.00 in connection with license BEA 013C. After applying the interim bid withdrawal payments, totaling \$1,795.00, you owe an outstanding balance of \$30,705.00 ( $\$17,550.00 + \$14,950.00 - \$1,795.00 = \$30,705.00$ ) in connection with the licenses you withdrew high bids on Auction No. 18.

As a result, you are in debt to the United States in the amount of \$30,705.00, payable in full, immediately, and without further demand.<sup>13</sup> As permitted under 31 U.S.C. § 3717, the debt is subject to interest, penalties, and administrative costs, and interest accrues from the date of this letter, which is also its mailing date. You may avoid payment of the interest if it tenders to the Commission full payment within 30 days of the date of the letter. Moreover, the debt is subject to an additional charge to cover the cost of processing and handling of delinquent debts, and a penalty charge in the amount permitted by law. The penalty charge for delinquent debt payments permitted by 31 U.S.C. § 3717 currently is 6 percent a year for the failure to pay any part of the debt more than 90 days past due.

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<sup>8</sup> *Id.*

<sup>9</sup> *See Auction No. 18 Winning Bidders' Public Notice*, 14 FCC Rcd at Attachment C, 659. In Attachment C, the Commission set forth the amounts of Philip Adler's interim bid withdrawal payments, \$917.00 and \$878.00, and explained that the interim bid withdrawal payments were based on three percent (3%) of the net withdrawn bid on license BEA 013B ( $\$30,550 \times 3\% = \$917.00$ ) and license BEA 013C ( $\$29,250 \times 3\% = \$878.00$ ).

<sup>10</sup> *See* Attachment A to this letter which calculates the final bid withdrawal payments.

<sup>11</sup> 47 C.F.R. § 1.2104(g)(1).

<sup>12</sup> *Id.*

<sup>13</sup> To submit the final bid withdrawal payment, you must submit payment in accordance with the instructions set forth in Attachment B.

*Philip Adler*  
*July 12, 2002*

Ordering Clauses

Accordingly, IT IS ORDERED that, pursuant to Sections 4(i) and 309 of the Communications Act of 1934 as amended, 47 U.S.C. §§ 154(i), 309, and Section 1.2104 of the Commission's Rules, 47 C.F.R. § 1.2104(g), Philip Adler is ASSESSED a final bid withdrawal payment of \$17,550.00 on license BEA 013B and a final bid withdrawal payment of \$14,950.00 on license BEA 013C, as computed in Attachment A.

IT IS FURTHER ORDERED, that pursuant to 47 C.F.R. §§ 1.2104 and 1.2106, Philip Adler's interim bid withdrawal payments of \$917.00 for license BEA 013B and \$878.00 for license BEA 013C, totaling \$1,795.00, will be applied towards the sum of the final bid withdrawal payment, totaling \$32,500.00, leaving Philip Adler with a debt to the Commission of \$30,705.00.

It is FURTHER ORDERED that Philip Adler's debt of \$30,705.00 be paid immediately, in accordance with the payment instructions in Attachment B within 30 days of the date of this letter, and if it is unpaid 30 days of the date of this letter, interest will accrue from the date of this letter along with penalties and administrative costs permitted by 31 U.S.C. § 3717.

It is FURTHER ORDERED that this letter shall be sent to Philip Adler and his representatives by certified mail, return receipt requested. This action is taken pursuant to authority delegated by Section 0.331 of the Commission's rules, 47 C.F.R. § 0.331.

Sincerely,

Kelly A. Quinn, Deputy Chief  
Auctions and Industry Analysis Division  
Wireless Telecommunications Bureau